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SUBJECT: CONGRESSMAN ADAM SCHIFF AND AZERBAIJANI FOREIGN

MINISTER DISCUSS NAGORNO-KARABAKH

Classified By: Ambassador Anne E. Derse per 1.4 (b) (d)

- 11. (C) SUMMARY: In a May 24 meeting with Representative Schiff and the Ambassador, Foreign Minister Mammadyarov underscored Azerbaijan's interest in an early peaceful resolution of the Nagorno-Karabakh (NK) conflict and the benefits that increased cooperation with a rapidly developing Azerbaijan would bring to Armenia, especially in terms of ensuring its independence from Russia. Mammadyarov emphasized that NK's final status -- as an autonomous region in Azerbaijan -- can be decided only after the return and reconstruction of the other territories and the return of IDPs. Mammadyarov highlighted Azerbaijan's leadership on regional issues, including energy security and efforts to combat extremism. He argued that democratic change in Azerbaijan is "inevitable" but will require generational change. End summary.
- $\P 2$ . (U) Representative Adam Schiff, accompanied by the Ambassador and Chief of Staff Tim Bergreen, met with Foreign Minister Mammadyarov and MFA representatives on May 24.
- ¶3. (C) Mammadyarov told Schiff that Azerbaijan is eager to welcome visitors from the U.S. to observe first hand ongoing developments. Those who come, especially from Congress, "leave as friends," he said. Representative Schiff noted his excellent discussion with President Aliyev (septel) and said he would follow up on the President's suggestion that the Armenian and Azerbaijani caucuses in the Congress meet, and include the ambassadors from the two countries.

#### Armenia/Nagorno-Karabakh

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- 14. (C) Mammadyarov said that sooner or later, Armenia and Azerbaijan must find a "common language." There are excellent opportunities for the region to cooperate, develop and ensure independence and sovereignty. Azerbaijan is sending a clear message, and it is important that the Armenian leadership understand that a "weak, undemocratic state as a neighbor is a challenge to our security." However, if Armenia, Azerbaijan and Georgia could cooperate as the three Baltic states have done and jointly address challenges, "we can succeed."
- 15. (C) Mammadyarov told Schiff that for a just, durable peace between Armenia and Azerbaijan, a step-by-step approach is needed. If the new Armenian President is "ready for peace, managing an independent foreign policy, and looking to an independent future (not as another Kaliningrad) he can make serious progress with Azerbaijan." Mammadyarov said he told the new Armenian Foreign Minister that Azerbaijan "is ready for peace," and urged him to think about the next generation, not the next election." If Armenia is ready for peace, the two countries should move ahead now.

- 16. (C) Schiff asked about Russian pressure on Armenia not to compromise. Mammadyarov said that if the new Prime Minister is decisive, no one can influence him; this decision should be made in Yerevan, not Moscow. But Russia has a heavy influence on the Armenian military and guards Armenia's borders. It is hard for Russia, as a UNSC member, to "defend the indefensible" Armenian occupation of Azerbaijani territory.
- 17. (C) Mammadyarov said a strong economic performance would be an important tool to strengthen independence and sovereignty in Armenia. Azerbaijan also is prepared to invest heavily in Nagorno-Karabakh following a peace settlement that respects Azerbaijan's territorial integrity. "There will be benefits to people on the ground."
- 18. (C) Representative Schiff asked what obstacles prevented agreement at Key West. Mammadyarov replied that under the Prague Process, now, a step-by-step approach is contemplated: Armenia's withdrawal from the occupied territories, communications restored and rehabilitation of facilities, renewed people-to-people ties, the return of IDP's to Nagorno-Karabakh, restoration of bi-communal cooperation and coexistence, and only then the Armenian community of Nagorno-Karabakh, as citizens of Azerbaijan, "will define Nagorno-Karabakh's status in Azerbaijan." Mammadyarov noted that there are many examples internationally of highly autonomous regions, such as the Tartars in Russia, and the Swedes and Finns. The step-by-step process is not easy but there is no other approach -- status cannot be defined in advance. Status can only be defined by democratic means by the two communities in Nagorno-Karabakh after normal life is restored. "Even Armenians will vote to be citizens of Azerbaijan if there is not too much influence from the outside," he said.
- 19. (C) Representative Schiff asked about Iran. Mammadyarov replied that there is a huge minority of Azerbaijanis in Iran but they are citizens of Iran and Azerbaijan respects Iran's territorial integrity. Azerbaijan's high standard of living is an irritation to Iran. Iran is the "biggest opponent" to resolution of the Nagorno-Karabakh conflict. Ahmadinejad supports Islamic solidarity with Palestine but provides Armenian energy. Azerbaijan is "sabotaged by its neighbors," Mammadyarov said.
- ¶10. (C) Mammadyarov said he is optimistic that Nagorno-Karabakh will be resolved, but sooner is better than later. Azerbaijan's GDP will soon be three times that of Georgia and Armenia combined. This will impact the peace process. The Armenian leadership should recognize it is in Armenia's national security interest to resolve the conflict.
- 111. (C) Mammadyarov told Schiff that Sarkisian "used military arguments to come to power on the wave of Nagorno-Karabakh." As leader of Armenia, he may change, as he may try to consolidate his power using the concept of the "outside threat." The upcoming meeting between the two presidents in St. Petersburg will be key to determining if he is ready for peace.

# Turkmenistan

¶12. (C) Mammadyarov said Azerbaijan is making good progress in restoring relations with Turkmenistan, evidenced by Turkmen President Berdimuhamedov's recent successful visit. Transport connections, ferry and rail, are being enhanced and Azerbaijan will invest more in Turkmenistan. Humanitarian and cultural ties are being strengthened. Azerbaijan needs to do more homework "with Turkmenistan on oil and gas to convince them it is in their interest to use Azerbaijan's infrastructure, which strengthens their hand negotiating prices with Russia." The proposal is "on the table," but the Turkmen need more time to absorb it. Azerbaijan and Turkmenistan will host a joint oil and gas show in Baku in September. Relations are "very positive and moving in the right direction."

## Energy Security

113. (C) Schiff thanked Mammadyarov for Azerbaijan's efforts on energy security. Mammadyarov noted that this is key to strengthening Azerbaijan's independence and sovereignty and serves its national security interests. The Kiev energy summit was a great success and the next one will be held in Baku in November. More and More states are joining the "Baltic-Black Sea-Caspian" energy group. Even Kazakhstan had sent a Deputy Energy Minister. Azerbaijan, Mammadyarov noted pointedly, "is not under any security umbrella" and must provide for its security "on our own."

## Afghanistan and Iraq

114. (C) Schiff told Mammadyarov the U.S. appreciates Azerbaijan's contributions in Afghanistan and Iraq. Mammadyarov said Azerbaijan will do more in Afghanistan. "We are spreading moderate Islam through the Organization of the Islamic Conference." Iraq is rich in oil and has the means to succeed but Afghanistan has only poppies. Mammadyarov told Schiff that Azerbaijan is "on the same side as the U.S. You can count on us...it is very important to use all means, not only military, to stop the spread of extremism."

# Iran

115. (C) Schiff told Mammadyarov that there are some encouraging signs in the younger demographic in Iran, and that he thought the U.S. should have some form of direct engagement with Iran. This would remove Ahmadinejad's tool to prop up unpopular policies at home. Mammadyarov agreed it would be better for the U.S. to be "in than out of Iran," noting that the U.S. established relations with the communists in 1933, and communism eventually collapsed.

## Armenian Diaspora

- ¶16. (C) Mammadyarov told Schiff that most Armenians in California do not know Azerbaijan. But "if they believe in Armenian independence, it is very important to have peace and stability in the region." Less pressure on the Armenian leadership from the diaspora in the U.S. and France will make them more flexible; especially less pressure from the "radical" wing of the diaspora. They fought for Armenian independence but now Armenia is becoming a satellite of the country from which it had won its independence. Schiff noted that Armenia's looking east, to Russia, and the recent elections there are concerns for the diaspora. He said he would raise these issues in Armenia as well. He offered to meet the Azerbaijani Ambassador or Consul General in the United States. Mammadyarov said he would instruct them to meet.
- 117. (C) Mammadyarov said his message to the Armenians was to appeal to their desire for independence -- not to fall under the influence of Russia. The new Foreign Minister, however, had strong Russian and KGB links. There are no real Armenians in the Armenian government. Today, a peace deal would be a 'win win' situation. Azerbaijan is wealthy and "can build the whole Caucasus." This would promote Armenia's interests, like the cooperation among the Baltic countries. The Armenian diaspora is not promoting Armenia's national interest. "We have to help," Mammadyarov said. "An angry, underdeveloped neighbor is not good for us." Azerbaijan helps Georgia, providing gas and investing in ports and transport networks. We believe in being good neighbors."

### Democracy/Human Rights

"inevitable to survive." The rule of law and democratic institutions must be built, however. The minds of people "must be changed and that is a generational process. Young people with good educations will gradually assume leadership. Azerbaijan's Ministry of Education is working hard to build new, internet-equipped schools "so kids recognize they are in a new country." Mammadyarov noted he had established the new Azerbaijan Diplomatic Academy. "Democracy is inevitable, but will take a few generations," he said. Schiff noted that Azerbaijan can benefit from the mistakes of other oil rich countries that failed to invest in their people.

- 119. (C) COMMENT: Mammadyarov made a clear effort to engage constructively and leave several messages with Congressman Schiff: Azerbaijan's interest in an early peaceful resolution of the conflict and the benefits that increased cooperation with a rapidly developing Azerbaijan would bring to Armenia -- especially in terms of ensuring its independence from Russia. He underscored Azerbaijan's commitment to continue to support efforts in Iraq and especially Afghanistan and to help spread "moderate Islam."
- 120. (U) Representative Schiff cleared this message.

**DERSE**